

Finance and Management Services



Medicaid Integrity Audits

The Medicaid Integrity Program (MIP) was created under the provisions of the Deficit Reduction Act (DRA) of 2005 to combat Medicaid fraud, waste, and abuse. The Centers for Medicare & Medicaid Services (CMS) implemented the Medicaid Integrity Group to enter into contracts to review Medicaid provider actions, audit claims, identify overpayments, and educate providers and others on Medicaid program integrity issues.

The objectives of the MIP are to audit provider claims and identify overpayments by ensuring that claims are paid:

- for items and services provided and properly documented;
- for items and services billed using the appropriate procedure codes;
- for covered items and services; and
- in accordance with Federal and State laws, regulations, and policies.

The MIP provider audit program will be conducted by Medicaid Integrity Contractors (MICs). The MICs are private companies that conduct audit-related activities under contract to the Medicaid Integrity Group. There are three primary MICs:

1. Review MICs analyze Medicaid claims data for potential fraud, waste, and abuse
2. Audit MICs audit provider claims and identify overpayments
3. Education MICs provide education to providers and others on payment/quality of care issues

Health Management Services (HMS) is the Audit MIC for Alaska, under a Joint Operating Agreement with the State of Alaska. The Review MIC will be Advancemed; the Education MIC is Strategic Health Solutions.

An exact start date has not been set.

Audits will consist primarily of desk reviews, though some field audits may also be done. The number of audits conducted in Alaska is not pre-determined. The number of audits conducted is determined from a review of claims data by the Review MIC.

The look-back window for audits is based on each individual state's Medicaid records retention requirements. In Alaska, that period is seven years.

